

Department of Legislative Services
Maryland General Assembly
2016 Session

FISCAL AND POLICY NOTE
Enrolled - Revised

Senate Bill 4

(Senator Conway)

Education, Health, and Environmental Affairs

Environment and Transportation

Natural Resources - Maryland Environmental Trust - Trustees

This bill increases the number of members on the board of trustees of the Maryland Environmental Trust (MET), from 15 to 19, and modifies the manner in which the trustees other than the Governor, the President of the Senate, and the Speaker of the House of Delegates are elected by the board. The bill also limits the number of consecutive terms an elected trustee may serve and increases the minimum number of times the trustees must meet each year.

The bill takes effect June 1, 2016.

Fiscal Summary

State Effect: The bill does not materially affect State finances.

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: Beginning June 1, 2017, the bill requires the 16 trustees other than the Governor, the President of the Senate, and the Speaker of the House to be elected (by a majority vote of trustees present at any regular or special meeting), four each year, to serve four-year terms, from recommendations submitted by the Governor, the President of the Senate, and the Speaker of the House. The Governor, the President of the Senate, and the Speaker of the House each submit three recommendations to the board of trustees. Two trustees are elected from the Governor's recommendations, one is elected from the

President of the Senate's recommendations, and one is elected from the Speaker of the House's recommendations. Vacancies are filled, for the remainder of a term, in a similar manner. In order to bring the composition of the board of trustees up to 16 elected trustees, 4 are elected in October 2016 to staggered terms.

The recommendations submitted by the Governor, the President of the Senate, and the Speaker of the House, to the extent practicable and consistent with the purposes of the trust, must meet certain criteria regarding distribution of professions and geographies, diversity, and experience. The elected trustees may not serve more than two consecutive terms, except that the chair of the board may serve a third consecutive term if elected as chair during or after the second year of the chair's second term. The minimum number of times the trustees must meet each year is increased from two to four.

A trustee is entitled to reimbursement for expenses under the standard State travel regulations, as provided in the State budget.

Current Law: A board of 15 trustees exercises the powers and duties of MET. The Governor, the President of the Senate, and the Speaker of the House are ex officio members of the board of trustees. Of the remaining 12 trustees, 3 are elected each year for a term of four years at any regular or special meeting by unanimous vote of the trustees present. A similar election is held if any elected trustee fails to serve or complete any elected term, with the successor serving for the remainder of the term. The elected trustees must be selected to obtain a broad distribution from the professions and other occupations, and a broad geographical distribution throughout the State, to the extent practicable and consistent with the trust's purposes.

The trustees elect from among the elected membership a chairman, secretary, and other officers as they determine, and the trustees must meet at least twice a year.

Background: MET was first established in 1967 and has four focus areas: (1) acquiring, and holding in perpetuity, conservation easements; (2) serving as a steward of land protected by such easements; (3) providing training, technical assistance, and support to nonprofit land trusts in the State; and (4) education and outreach. The trust holds 1,080 conservation easements protecting over 133,000 acres. Conservation easements are primarily donated by landowners, who benefit from tax advantages as a result of donating the easements. Under an easement, the landowner gives up most or all rights to develop and subdivide the land, in perpetuity.

MET receives funding through the State operating budget, as well as private funding. MET's State appropriation in fiscal 2016 is \$1.4 million, consisting primarily of general and reimbursable funds. The trust's fiscal 2014 annual report indicates that its fiscal 2014

revenues from sources other than the State totaled \$330,716 and its expenditures of those funds totaled \$200,784.

When the trust was first established, under Chapter 648 of 1967, the first trustees were appointed by the Governor, subject to the advice and consent of the Senate. The appointed trustees' terms were staggered and as the appointed trustees' terms expired, successors were elected by the remaining trustees to four-year terms going forward.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Natural Resources (Maryland Environmental Trust), Department of Legislative Services

Fiscal Note History: First Reader - January 14, 2016
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Analysis by: Scott D. Kennedy

Direct Inquiries to:
(410) 946-5510
(301) 970-5510